

the State determines that the corrective action plan is inadequate, the Administrator will terminate the agreement for the cooperative interstate shipment program as provided in § 381.187(d) of this part.

§ 381.518 Quarterly reports.

(a) The selected establishment coordinator will prepare a report on a quarterly basis that describes the status of each selected establishment under his or her jurisdiction.

(b) The quarterly report required in paragraph (a) of this section will:

(1) Include the selected establishment coordinator's assessment of the performance of the designated personnel in conducting inspection activities at selected establishments and

(2) Identify those selected establishments that the selected establishment coordinator has verified are in compliance with the Act and implementing regulations in this chapter, those that have been deselected under § 381.520 of this subpart, and those that are transitioning to become official establishments under § 381.521 of this subpart.

(c) The selected establishment coordinator is to submit the quarterly report to the Administrator through the District Manager for the State where the selected establishments identified in the report are located.

§ 381.519 Enforcement authority.

(a) To facilitate oversight and enforcement of this subpart, selected establishments operating under a cooperative interstate shipment program must, upon request, give the FSIS selected establishment coordinator or other FSIS officials access to all establishment records required under the Act and the implementing regulations in this chapter. The Administrator may deselect any selected establishment that refuses to comply with this paragraph.

(b) Selected establishment coordinators may initiate any appropriate enforcement action provided for in part 500 of this chapter if they determine that a selected establishment under their jurisdiction is operating in manner that is inconsistent with the Act and the implementing regulations in

this chapter. Selected establishments participating in a cooperative interstate shipment program are subject to the notification and appeal procedures set out in part 500 of this chapter.

(c) If inspection at a selected establishment is suspended for any of the reasons specified in § 500.3 or § 500.4 of this chapter, FSIS will:

(1) Provide an opportunity for the establishment to implement corrective actions and remain in the cooperative interstate shipment program, or

(2) Move to deselect the establishment as provided in § 381.520 of this subpart.

(d) The decision to deselect a selected establishment under a suspension will be made on a case-by-case basis. In making this decision, FSIS, in consultation with the State where the selected establishment is located, will consider, among other factors:

(1) The non-compliance that led to the suspension;

(2) The selected establishment's compliance history; and

(3) The corrective actions proposed by the selected establishment.

§ 381.520 Deselection of ineligible establishments.

(a) The Administrator will deselect a selected establishment that becomes ineligible to participate in a cooperative interstate shipment program for any reason listed under § 381.513(c) of this subpart.

(b) An establishment that has been deselected must transition to become an official establishment as provided in § 381.521 of this subpart.

§ 381.521 Transition to official establishment.

(a) If an establishment is deselected from a cooperative interstate shipment program as provided in § 381.520 of this subpart, FSIS, in coordination with the State where the establishment is located, will develop and implement a plan to transition the establishment to become an official establishment. Except that an establishment that was deselected from a cooperative interstate shipment program because it is located in a State whose agreement for such a program was terminated may either transition to become an official